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HARVARD

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PUBLICATIONS

The Joint Economic Committee of the Congress of the United States has just released a new two volume set on the Soviet economy. Prepared by the Library of Congress under the leadership of John Hardt, this new series is entitled "Soviet Economy in a Time of Change." Last year, they issued a volume on China and the year before that on Eastern Europe.

The subject matter includes papers written by staff members of the CIA as well as other government agencies, in addition to a large number of contributions by researchers attached to private universities. There is a lively discussion about energy written from the perspective of the university as well as the CIA.

Copies of the full report can be obtained from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402, or from your local congressman.

The Central Intelligence Agency has just published a reference aid entitled "The Evolution of the Central Administrative Structure of the USSR, 1917-1979." It is a very useful flow chart of how the present-day ministries have evolved into the structure that now exists. Those interested in obtaining a copy should write to the CIA, Washington, D.C. 20505.

TWO-DAY SESSION IN WASHINGTON ON "HOW TO MARKET IN THE SOVIET UNION

The Bureau of East-West Trade of the Department of Commerce is holding a two-day session in Washington entitled "How to Market in the Soviet Union." It will present eight representatives from Soviet trade organizations discussing procedures for American firms wishing to trade with the Soviet Union. The session is scheduled for November 14th and 15th. Those wishing further information should call (202) 377-2835 and ask for Roger Stechschulte or call (202) 377-2872 and ask for David Bowie.

CURRENCY FIGURES

Rubles Purchased

Per 100:	Oct.78	Aug.79	Sep.79	Oct.79
Aust. s.	4.700	4.850	4.870	5.070
U.K.pound	130.000	150.000	147.200	142.200
W.Ger.mark	33.900	35.610	35.610	36.700
Can.dollar	55.900	55.420	55.900	55.350
U.S.dollar	66.000	64.700	65.200	64.350
Fr.franc	15.130	15.290	15.290	15.550
Jap.yen	.350	.302	.298	.290
Ital.lira	.080	.0793	.0797	.0797
Swiss fr.	44.330	39.420	39.420	40.860

Currency exchange rates for the Austrian shilling, the West German mark, the French franc, and the Swiss franc increased from September to October 1979, while the British pound, the Japanese yen, and the U.S. and Canadian dollars declined. The Italian lira remained unchanged.

PRESENT AMERICAN-SOVIET TRADE CONDITIONS

Conditions for American-Soviet trade are not the best these days. It was clear for some time that there would be no discussion of MFN status for the Soviet Union until some decision had been made by the Senate about SALT. Obviously that situation did not do much for trade prospects. However, as difficult as that situation may have been, the prospects for trade become even dimmer now if indeed the Administration moves ahead and decides to extend MFN status only to China. That obviously will be viewed with considerable concern by the Soviets. Unfortunately, not only will that have implications for trade, but conceivably that may cause a backlash in the attitude of the Soviet Union towards human rights and emigration.

This Newsletter normally avoids political comment, but this seems to be a very serious issue and one that those who are interested in both improved trade and improved human rights to the Soviet Union should be concerned about.

INDUSTRIAL PRODUCTION FOR THE FIRST NINE MONTHS OF 1979

Product	Jan.-Sept.79	% of 1st 9 mos. of 79 over 78
Electricity [bil. kw. hours]	904	103
Petroleum (Including gas condensate) [mil. tons]	435	103
Natural gas [bil. cu. m.]	299	109
Coal [mil tons]	540	100
Steel [mil. tons]	112	98
Fertilizer [mil. tons]	71.1	96
Metal-Cutting Tools [mil. rubles]	1,386	106
Computer Technology [bil. rubles]	2.8	116
Watches [mils.]	48.2	103
Radios [mils.]	6.2	96
Television sets [mils.]	5.4	101
Paper [mil. tons]	3.9	95
Cement [mil. tons]	91.8	96
Meat [mil. tons]	7.0	101
Margarine [1000 tons]	918	105
Motor Vehicles [1000's]	1,617	100.5
cars	982	99.8
trucks	576	102
Tractors [1000's]	410	96

Although they were a bit late, the Soviets did release the production figures for the first nine months of 1979. For a time it looked like they were holding them back, much as they did in January and February. However, in the October 28 issue of Pravda, the Central Statistical Agency did publish the figures that show relatively little change from conditions that have prevailed throughout the year.

The only noteworthy changes are that steel and automobile production seem to have fallen a bit more. Steel production now is 2% lower for the first nine months of 1979 than it was in 1978. Similarly, for the first time in many years, automobile production is lower by a fraction than it was for a similar period of the preceding year.

Overall the Soviets seem to be having difficulty meeting production levels of 1978 in a variety of industries. Thus, added to steel and automobile production are mineral fertilizers, synthetic fibres, tractors, paper, cement, shoes, butter, radios, refrigerators, washing machines, and motorcycles.

In the energy field, however, conditions seem to be somewhat better. Coal production is approximately the same as it was last year, gas production is up 9%, and petroleum is up 2.6% or 11 million tons higher than it was for the similar time in 1978. The Soviets concede they are having difficulties meeting their planned targets for the refining of petroleum and the mining of coal along with many of the other industries. However, at least there is some increase in production in the energy sector.

With difficulties in the agricultural sphere, which will be reported upon in the next Newsletter, clearly the economic planners have an enormous challenge ahead of them.

FIFTH ARDEN HOUSE CONFERENCE

For the fifth year in a row, the Russian Research Center at Harvard and the Russian Institute and the Graduate School of Business at Columbia will hold their annual Arden House Conference. This year, the dates will be Thursday evening, March 27th to Saturday afternoon, March 29th. Appropriately enough the theme for the fifth conference will be "U.S.-Soviet Relations in an Election Year."

As in previous conferences we hope to have representatives from Congress and the Executive Branch of the government, as well as senior officials from corporations, both American and foreign, who are involved in trading with the Soviet Union and Eastern Europe. As is traditional, they will be joined by scholars from the academic community in the unique setting that Arden House offers. Also in the tradition of the past, Marshall Shulman, a special advisor to Secretary of State Vance on Soviet affairs, will be the first speaker on Thursday evening.

The final program is being put together and application blanks should be sent out in the January mailing. However we are announcing the dates now, so that you can mark your calendar.

SECOND 1979-80 CORPORATE SPONSOR SERIES CONFERENCE

The next Corporate Sponsor Conference at Harvard is scheduled for February 11th. A copy of the program and a sign-up sheet is included with this mailing. As has been the tradition for our February sessions, the focus of the discussion will be on the results of the preceding year's economic developments. This will also involve discussion of the prospects for the fulfillment of the Tenth Five-Year Plan and the perspective on the new Eleventh Five-Year Plan, which should be announced sometime in 1980.

Joining the regular participants from the Russian Research Center will be Murray Feshbach, who is a Fellow at the Kennan Institute of Advanced Russian Studies in Washington, as well as Douglas Diamond from the CIA, and Martin Kohn from the State Department and the CIA.

The Russian Research Center takes no official stand on any economic or political matter. The views and analyses expressed in this Newsletter are those of the authors directly associated with the article in question; and, unless otherwise stated, with those of the editor, Marshall I. Goldman.